

the burden on the Internal Revenue Service; and, more importantly, it would reduce the burden on many local and State organizations. Additionally, this bill removes the requirement that electronic filings be duplicated in writing, thereby reducing paperwork for both the filer and the IRS.

As with most bills that get rushed through the House, there are other ambiguities that require technical corrections. To prevent a misinterpretation that would weaken enforcement, this new bill will clarify, as did our old committee alternative, that all of the 527s' income, whether segregated or not, is to be considered taxable income in case of failure to file the required notice. Further, the bill will clear up an ambiguity as to whether the failure to file penalty is to be treated as a tax liability or a civil penalty, which could otherwise delay enforcement and collection. Through this change, the State and local groups, which may have filed late because of a lack of notice about the new law could be afforded the same "reasonable cause" arguments available to every other taxpayer under the civil penalty section. Finally, the bill will add back the omitted companion penalties that we proposed for fraudulent filings for violations of the new 527 law and the gift tax penalty for undisclosed contributions.

This legislation is narrowly drawn to secure approval now in the waning days of this Congress. But much more comprehensive additional reform is needed. Already, there are groups that are shifting from 527s to different tax status. Within the last few days, The Washington Post has reported that "Political groups that want to keep their finances secret are changing their tax status in order to avoid having to reveal their donors and spending, making an end-run around a new law intended to crack down on anonymous political activity."

Among the worst of these is a group called "Citizens for Better Medicare" that is determined to block our efforts to end price discrimination against seniors. This is discrimination by which our seniors in America are literally treated worse than dogs, having to pay the highest prices, not only more than animals in the United States, but more than people anywhere around the globe. This group has expended so much in political advertising on television that one commentator recently suggested it has practically become a third political party along with the Democrats and the Republicans.

Mr. Speaker, I hope that next year we can have comprehensive reform to address this problem we had anticipated and which could have been largely avoided had the alternative we advanced in the Committee on Ways and Means been adopted. But today, I ask my colleagues to join us in a modest change that can help our State and

local committees and public officials and improve the reform legislation adopted in June.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 10 a.m.

Accordingly (at 9 o'clock and 20 minutes a.m.), the House stood in recess until 10 a.m.

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AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. HANSEN) at 10 a.m.

PRAYER

The Reverend Jerry Pruitt, New Ark Christian Center, Beloit, Wisconsin, offered the following prayer:

Our Heavenly Father, You alone rule in the hearts of men and women. It is because of You that our great Nation stands as a beacon of hope to the rest of the world.

We thank You God that You also rule in the affairs of young people.

We ask for Your presence to be here as this very important session of Congress opens today. We know that we need Your wisdom here today. These servants to the American people want to do what is right and just. We commit this time to You as they bring peace and justice to our country and the world.

Thank You God for answering these requests. In Your name we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. PASCRELL. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. PASCRELL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Nebraska (Mr. BARRETT) come forward and lead the House in the Pledge of Allegiance.

Mr. BARRETT of Nebraska led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WELCOMING THE REVEREND JERRY PRUITT, NEW ARK CHRISTIAN CENTER, BELOIT, WISCONSIN

(Mr. RYAN of Wisconsin asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RYAN of Wisconsin. Mr. Speaker, I rise today to thank the Pastor, Jerry Pruitt, from the newly renamed Faith Builders International in Beloit, Wisconsin, formerly known as New Ark Christian.

Mr. Speaker, I have come to know Pastor Jerry Pruitt as a personal friend and a counselor, a man who has give guidance not only to myself, but to countless numbers of people throughout Northern Illinois and Southern Wisconsin.

Jerry Pruitt is a man who has built a church from the ground up, literally, to one where it is a beacon of hope, of religious pride, of Christian values, that is spreading throughout Southern Wisconsin, and now going international.

Mr. Speaker, it is a privilege to be here today to have Pastor Jerry Pruitt open today's proceedings with a prayer. We are very proud of him at home in Wisconsin. Now we are very proud of him here in the Nation.

Thank you very much, Mr. Speaker, for allowing the opportunity to have such a wonderful man, who has brought so much to so many people's lives, be with us today.

100 YEAR ANNIVERSARY OF LEES-MCRAE COLLEGE, BANNER ELK, NORTH CAROLINA

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, today, Lees-McRae College in Banner Elk, North Carolina, celebrates its centennial. It is altogether fitting that we pause to honor the vision and accomplishments of its founder, the Reverend Edgar Tufts, on this celebrated day.

For 100 years, Lees-McRae College has provided a quality, student-centered, values-based education. From its humble beginning in Edgar Tufts's study, Lees-McRae has grown into a fully accredited baccalaureate institution.